

## **FINANCE COMMITTEE REPORT**

August 4, 2016

A Finance Committee meeting was held Thursday, August 4, 2016 at 6:00 p.m. in the Quorum Court Meeting Room, Benton County Administration Building, Third Floor, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Allen, Moore, Jones, Sheridan, Chiocco, Slinkard

Absent: Moehring

Others Present: JPs Meyers, J. Harrison, K. Harrison, Sandlin, Adams, Anglin, County Judge Bob Clinard, Assessor Linda Hambrick, Circuit Clerk Brenda DeShields, Captain Lynn Hahn, Administrator of General Services John Sudduth, Comptroller Brenda Guenther

Media: Tom Sissom – Northwest Arkansas Democrat-Gazette.

Committee Chair JP Allen called the meeting to order at 6:02 p.m.

### **Public Comments:**

JP J. Harrison stated that he spoke to all the police chiefs of Benton County, except for Sulfur Springs police chief, on the \$5 Jail fee increase. He stated that none had any issues and they would be putting it into their budgets. JP J. Harrison commented that all the police chiefs had nothing but good to say about the Sheriff's Department.

### **Discussion:**

#### ***Court Facility Update***

Jay Allen presented more on Phase II of the Dewberry Study. He stated that Downtown Revitalization Inc. and Walton Foundations own the parking lot between Blake St. and 2<sup>nd</sup> St., and they have offered to build a 3 to 4 level parking garage if the courts were to stay downtown. If the courts were to stay downtown there would be a need for 300 to 350 parking spaces, and with this offer there would be about 300 new parking spaces, fixing the parking problem. A letter was distributed showing a map and attachments on this parking garage.

JP Allen commented that this was huge since these were some of the concerns.

Jay Allen went over the packet. There would be a number of spots that they would be willing to lease for the County parking and the rest they would make free to the public.

JP Sandlin stated one of the big concerns has been parking, this says a lot.

### ***Budget Schedule***

Comptroller Brenda Guenther reported Barbara Ludwig will be sending out an e-mail this week asking, anyone who wants personnel requests to submit them to her by August 26. Brenda Guenther stated she would get started now instead of September on the Revenue Projections. This will be what helps us to know where we are at in the budget process. Brenda Guenther stated that all the budgets are due in by September 9<sup>th</sup> and once she gets those in she will be able to do a spreadsheet to see where we are at in the budget. She stated that there will be a meeting with all the managers and Elected Officials toward the middle to later part of the September. There will be a JESAP meeting at the end of September and in November the budget will come to the Quorum Court, to have its final adoption in December.

JP Allen commented that he would like to have fewer meetings and less late night meetings. He asked for discussion on how we have been doing things, such as the last two budgets we held the salaries to 0% increase until we could see what we had. He asked if this is what they wanted to do or do they want to have the Elected Officials bring wish list as they have done in the past, there could be some set parameters on what it should be.

JP Moore commented that he felt that with capital request in County General there should be a dollar figure. It is an amount that would have to be figured first, but maybe it would help Elected Officials get closer to the amount.

JP Meyers asked if the talk about Elected Officials and JP's maybe getting raises has ever been resolved.

JP Allen responded with this is something that has not been resolved and that Barbara Ludwig and Brenda Guenther would need to talk before budget.

JP Jones commented that we should try and keep it apples to apples and as close to the budget as possible. He liked JP Moore's idea in regards to having a base figure. JP Jones stated that we need to take a look at the current budget to see what is left over and then use that number as the target number, but after all unused appropriations are returned.

JP Allen commented that we could use this year's budget with a 3% increase from last years across the board to get a starting point for next year's budget. Brenda Guenther stated that she thought that would be fair.

JP Allen stated that if their budget is straight forward and tight then they did not necessarily need to be here to go over it.

JP Harrison commented he liked JP Allen's idea, if they don't make changes we should be okay with it but if they do then they would need to attend the capital request meeting to try and explain the change.

JP Allen commented except for Personnel there would be an allowed 3% increase across the board.

### **Fund Summary:**

***2016 through 7-31-2016***

Comptroller Brenda Guenther reported the budget in salaries is at 54%, with a target of 57.6%, doing very well here with only a few over because of workman's comp. In the General Budget the salaries are at 54%, with a target of 58.3%, this is still within reason of the budget.

JP Jones asked why the Circuit Judges Division 4, 5, and 6 are over 70% of their supplies while we still have half a year to go.

Brenda Guenther responded that they order their supplies in advance at the first of the year.

Comptroller Brenda Guenther reported Overall funds within Personnel is at 54.28%, with a target of 57.7%. The Overall budget is at 50.7% with the target being at 58.3%. All though some of the budgets have already reach 100%.

### ***2016 vs. 2015 Comparison through 07-31-2016***

Comptroller Brenda Guenther reported when looking at the budget we are about half a million over the budget then last year. Most of the extra spending is in the Capital from Personnel, it is at 1.8% vs 2%.

### **Monthly Reports:**

#### **Overtime & Premium Pay Analysis**

Comptroller Brenda Guenther reported the Juvenile Detention Center and the Coroner are overspent in their overtime. While they are overspent in their overtime they are underspent in the regular hours. The Jail and the Jail Operations and Maintenance are okay when looking at the details behind the spending. With the Jail there is \$80,000 moved from the Health Insurance in error, but could now be moved to overtime.

Captain Hahn commented at the beginning of the year they were down 13 people and spent time in training and they are still trying to keep the overtime down but still understaffed.

#### **Fuel Analysis**

Comptroller Brenda Guenther reported the average price for unleaded gas is now \$1.46, this is almost a 40% decrease from last year. The diesel gas is almost down 18% from last year. Both the Sheriff's Department at 47% and the Road Department at 29% are down in the first 6 months, so there should be extra money here.

#### **Sales Tax Numbers**

Comptroller Brenda Guenther reported since the month of July we are at an 8% increase and from a year to year comparison we are at a 1% increase. At this point we are on target to meet our \$8 million projection.

#### **Jail Collections**

Comptroller Brenda Guenther reported since 2015 we are at a \$37,000 increase. When looking at the comparison the billing states that the State is much lower this year than last year.

JP Moore asked if the numbers of inmates are dropping or is the State just taking longer to pay.

Captain Hahn responded, we have over 70 DOC inmates right now and his understanding there was 270 last year.

### **Convenience Center Data**

Comptroller Brenda Guenther reported she was feeling good about the Convenience Centers, the number of loads this year to last year are better and we have added Rogers and Siloam Springs. Bella Vista has expressed their interest and believed they might come to the September meeting to discuss more.

Administrator of General Services John Sudduth commented the Mayor of Bella Vista and others have showed interest in having a satellite area. As of right now they are trying to get all the numbers together for that.

JP Moore asked if Bella Vista would help with the manpower.

John Sudduth responded that they are looking at all the possibilities.

JP K. Harrison asked if these sights are helping with illegal dumping.

John Sudduth responded it has helped but not with the tires yet. They are trying to work on that more at the state level.

### **Grants Administrator Report**

Comptroller Brenda Guenther reported the SAMHSA Grant was awarded for the third year in the amount of \$294, 969. We were not awarded the Tiger grant, or the grant for unpaved roads. It was only awarded to four counties and they will have it open for next year. As the county judge stated at the last Quorum Court meeting, we were awarded the septic grant.

### **Ordinance Requests:**

#### **1. Sheriff- Transfer Appropriation**

JP Jones made motion to forward to the August 9, 2016 Committee of the Whole agenda, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

#### **2. JDC Grant- New Grant Award Appropriation**

JP Jones made motion to forward to the August 9, 2016 Committee of the Whole agenda, seconded by JP Slinkard.

Motion passed by unanimous show of hands vote.

#### **3. SHSGP Grant- Transfer Appropriation**

JP Jones stated with these we typically ask they tell us what they are buying.

Brenda Guenther responded it was for a decontamination tent for \$45,000. She stated that she would be getting more details.

JP Jones made motion to forward to the August 9, 2016 Committee of the Whole agenda, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

**4. Fire Services – Transfer Appropriation**

JP Chiocco made motion to forward to the August 9, 2016 Committee of the Whole agenda, seconded by JP Slinkard.

Motion passed by unanimous show of hands vote.

**5. Fire Alarm System- Insurance Claim Appropriation**

JP Jones asked if the insurance covered replacing the fire alarm system.

Brenda Guenther commented it did, and the \$39,500 would be paying for 5 years' maintenance and labor upfront should there be any problems, and there will be a yearly inspection.

JP Allen requested to see more information on this before the Committee of the Whole.

JP Chiocco made motion to forward to the August 9, 2016 Committee of the Whole agenda, seconded by JP Slinkard.

Motion passed by unanimous show of hands vote.

**6. Sheriff's Pay Phone Commission- Appropriation**

**a. FY15**

Brenda Guenther stated this is for the fiscal year 2015, and while finalizing the 2014 audit, they were asked to look at how we are doing payphone commissions. She said currently we are putting them into Fund 3017, (Jail Operations and Maintenance). The law states that for any county less than 137,000, it needs to go to the radio fund, which is not where it has been. There is another law that states if it is not designated where it should go, then it needs to go to the General Fund. What this is doing is re-appropriating the money in the Jail Operations Fund and moving it over to the General Fund.

JP K. Harrison commented that he understands why it is being done this way this year but thinks that next year it really needs to be going to the radio fund. He stated that he knew that we would be having some communication equipment that would be coming up and that would be extra funds for it and at one time the money went to the radio fund.

JP Allen stated that maybe we should ask Attorney George Spence to look at that so that we don't violate state statute.

JP Jones made motion to forward to the August 9, 2016 Committee of the Whole agenda, Seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

**b. FY16**

JP Jones made motion to forward to the August 9, 2016 Committee of the Whole agenda, Seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

**7. Drug Fund – Appropriation**

Brenda Guenther commented that the auditors preferred it being transferred out but the way it was set up it was just being transferred out completely off of our books. We are going to be doing is moving it from an expense account to a revenue account. We are going to be taking the \$70,000 that was budgeted as Other Misc. Operating, which was used as the buy back fund.

**a. FY15**

JP Jones made motion to forward to the August 9, 2016 Committee of the Whole agenda, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

**b. FY16**

JP Jones made motion to forward to the August 9, 2016 Committee of the Whole agenda, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

**8. Jail HVAC/ Air Purification Appropriation**

JP Allen asked if this was about the same time we found dampers being closed.

Administrator of General Services John Sudduth commented yes, this was part of the same study. On Tuesday afternoon we opened up for the different bids. We have been trying to find out why it is so high. One of the major issues is that we put in our 2016 budget to replace the UV air purifying systems. Currently we have outdated systems and have UV lighting mounted up high on the roofing. This is why we were looking to upgrade the unit. What you are required to do now is if you know that someone has an illness or a disease you have to isolate them in a certain cell that has a negative pressure running through it. We are going to need 8 of these cells, and we have to maintain a negative pressure. One of the major things that we will need is a super rapid dapper, so that if those cells open then

or if there is any kind of surge they will open up and the super rapid dapper will exhaust the air.

JP Anglin asked if this was a Federal law.

John Sudduth responded that it is state and jail regulations.

JP Anglin asked if you don't have money what are you supposed to do.

John Sudduth responded to the question with then you don't hold prisoners.

JP Anglin commented that I can see one or two but eight? Would this be due to the size of the jail?

John Sudduth responded that is what they told us because of the size of the jail.

JP Allen asked the questions, you guys are going to just convert the cells and not put new cells in?

Captain Hahn responded that over by booking there are cells over each other and that is the best place to do it because we can put one vent down and get two cells at one time.

JP K. Harrison commented that why are we having to do this now. Would have figured our jail would have been grandfathered in.

Captain Hahn responded that he wasn't sure why it is just now coming up but his understanding is that the current TB units on the cells aren't working and the ones that are working are not adequate for the size of the cell.

JP Johns asked the question, what is the biggest piece causing the expense? How much is that?

John Sudduth response with the super rapid dapper are the biggest expense, they don't know the individual expense, and they are all rolled into a bigger target.

JP Chiocco asked the question when you are booking someone in do you all test them for TB?

Captain Hahn responded was anyone who is going to stay more than 14 days gets test.

JP Allen commented do we know the total breakdown of the cost.

John Sudduth responded that he would ask the engineer if we could get a break down of the total cost, have a tentative break down but don't have the numbers yet. If this moves forward to the Committee of the Whole then will have a little more information.

JP Anglin commented do you ever get second opinions on issues like this

John Sudduth responded the engineer we have is very thorough. We could always reach out and get a second opinions and see what other jails are doing in the area.

JP Moore asked what Washington County is doing.

JP Meyer is there any dead line?

John Sudduth responded that he did not know right now, does know if there is any exposure then it could become a legal issue.

JP Allen commented that Washington County may not be doing anything because they may not be doing any work to put up the red flag up.

JP Anglin stated that she would like them to look at our current jail standards and make a plan in case we have to do anything else.

JP Jones made motion to forward to the August 9, 2016 Committee of the Whole agenda, Seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

**Other Business:**

JP Allen commented on Phase II' funding, we saw the scope of the work and then we were to learn more about what was actually done. We planned on having meetings with the judge to find out more and asked if that was still planned to have a Public Safety meeting.

JP Jones commented right now we have a Public Safety meeting on the 15 of August to discuss among ourselves, to get a game plan on what we want to do, so we can move forward. The meeting will have to be rescheduled because of JP Jones being out of town.

JP K. Harrison commented that his understanding was that the judge was working on a work study group, he stated that he felt they were the ones who held it and that if the judge wanted it to be approved then then we need to be involved and if not then he didn't' think it would happen.

JP Adams commented that he felt they have been led around on a leash with this whole thing, we they were asked to pick a sight, so we picked one and come to find out it wasn't the sight the judge wanted so he decided that it was going to be the 14<sup>th</sup> location. We have had several meetings about this, and what it comes right down to it is that Adams does not see this going very far.

JP Allen commented that his concern was that we talked about what Phase II was going to be and how the Quorum Court and the Public committee was going to be involved in that. Now that it has been funded it has changed on how we are going to be a part of it. Would have liked to have known that before we voted on it.

JP Sandlin commented the Circuit Judges have expressed some concerns and on it would the meetings thinks that it be great if JP Jones could sit in on the meetings to discuss while it is fresh. Then bring that information back to the Public Safety Committee. The more information we have, we can make sure we cover all their major concerns.

JP Anglin stated JP Jones would be a great voice but thought JP Moehring should sit in on the meetings.

JP Jones commented at this point the money has already been approved, so the Judge can do what he wants to do. We just need to find out what the Judge is wanting to do with the funds. The only way we can stop this is to stop the funding. Once we speak to the Judge then we can discuss what we all want to do.

JP Meyers commented that he thought the funding was on what it would cost for the 3 different sites, not have any input from us or anybody else, that it would be there determination. Meyers stated that he didn't know what this group or what we could even put in.

JP Moore asked that the judge come to the Committee of the Whole and clarify what the plan is.



Upcoming meetings:

Sept. 6 - Transportation Meeting

Sept. 8 – Finance Meeting

Sept. 13 Committee of the Whole Meeting

JP Allen declared the meeting adjourned at 8:01pm